



TNC INFO #7

07-2011



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A regular update of IUF TNC activity exclusively for IUF affiliates. More detail can be requested from the individual IUF staff person identified with each entry.
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AGRICULTURE

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Chiquita

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Agreements to eliminate precarious plantation work in Costa Rica, to negotiate an international sexual harassment and discrimination agreement and to explore provision of special employment protection for union representatives were products of the Costa Rica meeting between the IUF, COLSIBA and Chiquita on April 19.

Chiquita committed to ending the practice of short-term contracts in 18 of its 28 plantations and to end the practice in the remaining 10 plantations by the end of 2011. The system of rolling 5.5 month employment contracts is common in Costa Rica and leaves workers facing long-term precarious employment status and places limits on their rights in many cases over many years.

It was also agreed to establish a working group to develop an annex to the 2001 regional agreement addressing issues of sexual harassment and discrimination in Chiquita operations. Chiquita already has an internal policy which the annex will complement.

Chiquita also agreed to start discussions on a “Memorandum of Understanding” providing specific protection for recognized union representatives and leaders against disciplinary measures and dismissal.

Tata/Tetley

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A settlement was reached on May 17, 2011 in the long-running dispute between workers and Amalgamated Plantations Private Ltd (APPL) at the company's Nowera Nuddy tea garden in northern West Bengal, India. APPL is majority-owned by Tata Global Beverages. (See earlier TNC Updates #6 for background.)

The settlement, the first of its kind in the Indian tea sector, came as a result of several weeks of negotiations between IUF India staff and APPL senior management. It includes:

- mutual withdrawal of the criminal cases filed by both workers and management;
- payments to all workers employed at the time of the second lockout;
- family members of the two dismissed workers to be offered permanent jobs and the two dismissed workers to be given compensation;
- management to make a cash payment to Ms Oraon's child as a gesture of goodwill;
- a joint union-management meeting to be held at the estate to establish procedures and mechanisms for resolving grievances and raising awareness on maternity benefits and protection.

Ty-Phoo/Apeejay Surrendra

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The 2nd monitoring visit by IUF staff to check conditions on Apeejay's Talup tea estate took place from May 19-21. Apeejay has developed an improvement programme following an IUF report from July 2009 exposing failure of the company to apply the provisions of the Plantations Labour Act. The monitoring visit noted that recommendations made in the first monitoring to improve the hospitals, creches and schools had been implemented and that a rolling programme to improve housing, water provisions and latrines was underway but there was still a lot of work to be done. A new wash room had been constructed for the pesticide sprayers but the IUF team still had questions about use of protective equipment.

BEVERAGES/BREWERIES

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BEVERAGES

Coca-Cola

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At the regular IUF/TCCC consultation in Atlanta on April 13 2011, issues from all IUF regions were raised. The implementation of the comprehensive agreement in **Pakistan** was reported positively (see TNC Info #6). Based on allegations that had been received from the **Philippines** about an incident of a supervisor harassing and physically attacking a union representative an investigation by both the IUF and Coca-Cola will look more closely at the incident and issues arising from it.

In a discussion of union-management relations in the framework of the acquisition of CCE North

American operations by TCCC, IUF delegates from North America and IUF General Secretary Ron Oswald expressed strong concerns about the use of so-called "persuaders" (anti-union consultancy groups) by the company during union organizing campaigns.

Other concerns raised concerned rights and employment issues in Canada, India, Morocco Poland, the UK, and CCE in Europe.

The next IUF/Coca-Cola Atlanta meeting will take place in October 26-27, 2011.

Coca-Cola Workers' Alliance

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In **Tunisia**, Coca-Cola workers enhanced their progress in the face of agency work, signing an agreement with the bottler SFBT to totally abolish agency work within the company, and extending this to merchandisers previously hired by Manpower to work at TCCC subsidiary BST.

In **India**, Coca-Cola workers, supported by the IUF India team, are organizing against the "No work, no pay" system for casual workers.

Pepsico

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The **PepsiCo Union Network** is further developing. A leaflet on the network in several countries can be obtained from the secretariat or [by clicking here](#).

In **Russia** a first meeting of unions in the newly acquired Wimm-Bill-Dann dairy business took place beginning of June. The company dominated **PepsiCo European Works Council** also met in June. Workers' representatives were denied even an independent preparatory meeting. Affiliates that have sent delegates to these meetings are kindly requested to contact the IUF.

BREWERIES

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Heineken

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After a number of fruitless meetings with the Heineken Company, the union at the Heineken brewery in **St-Petersburg, Russia** was forced to bring the situation to the attention of the Dutch government authorities by holding a picket line in front of the Consulate General of the Netherlands in St. Petersburg on March 24. A second picket line was organized in front of Moscow office of Heineken on April 7 by representatives of IUF-affiliates the AIWU, the Efes workers' union,

Bolshevik workers' union (Kraft Moscow) and the Heineken St. Petersburg union.

Although the union received support for their struggle from the Heineken European Works Council and the Dutch FNV-Bondgenoten, the violation of trade union and labour rights through the dissemination of precarious employment in the enterprise continues. The basic demands of the Heineken brewery workers include a limit to the use of agency workers, a reduction in the employment of precarious workers as an alternative to permanent jobs in a recession period, an end to the pressure on union members and access to freedom of association for all workers at Heineken Russia operations.

CATERING

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Compass

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The secretariat continues to work towards a settlement into our complaint under the OECD guidelines regarding the dismissal of workers in Algeria for forming a union, including the General Secretary Yacine Zaid. We aim to reach an agreement in July which will enable workers at Compass in Algeria to form and join a union free from harassment and discrimination so that they can negotiate to improve their conditions of work.

A series of meetings in June have given some cause to believe that a fair and positive outcome will emerge from the ongoing discussion between the IUF and Compass corporate management

LSG Skychefs

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IUF and ITF Unions from around the world representing workers in the airline catering industry met on 20th May in London to share experiences and agree common goals for the sector. Future work will include supporting workers from Unite Here! in North America in their struggle to secure a collective bargaining agreement with LSG Skychefs, which has been ongoing for over 2 years. Unite Here! represents 100% of Sky Chefs 6,600 workers in North America. The group also agreed to share information on upcoming collective negotiations and research the supply of food to the airline catering sector from third party companies.

IUF DAIRY DIVISION

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The next meeting of the **IUF Dairy Division leadership group** will take place in Hamilton, New Zealand on November 16-17, 2011. The group will

discuss strategies focused on major companies and trends and changes in the global dairy industry. A critical part of these discussions will be around ways to strengthen the recently established Dairy Division's work, engage more IUF affiliates in the dairy sector and expand union membership in the sector globally.

Danone

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The next meeting of the **Danone Information and Consultation Council (CIC)** will take place at the ILO in Geneva from October 4 to 7, 2011.

The CIC meeting will be preceded by meetings of the Danone Waters and Fresh Dairy Products and Danone Baby & Medical businesses on 4 October. The full participation of the Danone Baby & Medical business into the IUF/Danone CIC process will happen this year. At these meetings Danone workers will have an opportunity to raise issues relating specifically to the business activities with the global business managers. As in the past research and analysis will be carried out by the French consultant firm Axia. Invitations to IUF affiliates were sent in June.

At a meeting of the Steering Committee (composed of representatives of Danone corporate HR management and the IUF) in Louvain (Belgium) on April 28-29, it was agreed that CIC should remain made up strictly of union representatives.

Health and Safety Agreement – negotiations successfully concluded

The text of the agreement, which includes elements to combat stress at work, was finalized and agreed by affiliates in the IUF negotiating team and will be signed in September in Paris

Current agreements review and monitoring project

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As agreed between Danone central management and the IUF, several awareness-raising, monitoring and fact-finding visits focused on the existing IUF/Danone agreements took place during the first half of 2011. Visits to former Numico companies (baby food and medical nutrition corporate business units - CBUs) were more aimed at presenting the content of the existing IUF/Danone agreements and clarifying the mutually-agreed rules of workers' representation in the yearly meeting of the Information and Consultation Committee (CIC).

A joint Danone/IUF team visited the British and Irish baby food and medical sites from March 8 to 10, 2011. Meetings took place with both works

councils and members of unions. The current prominence given to unions over other forms of workers' representation in the nomination of participants to the CIC was explained. A detailed presentation of social dialogue practices within former Numico activities in the UK was also discussed. As far as Danone/IUF agreements were concerned, management and workers' representatives agreed that most of their provisions were respected or already covered by law. Irish trade unions reported some precarious employment that saw workers waiting up to four years before getting a permanent contract.

On March 15 and 16, baby food and medical nutrition activities in the Netherlands were visited where similar discussions took place. Meetings with trade union members brought valuable information on the strength of the union. An overview of the content of agreements showed that they were applied in all sites.

Bonafont in Mexico is a major part of Danone worldwide and was visited from April 12 to 14. Bonafont employs 11,590 workers in 29 plants and 82 distribution centers with 3550 trucks delivering Bonafont products. Because of the high number of Bonafont trucks on the roads every day and the sometimes hazardous traffic conditions in Mexico specific focus had been given to workers' safety especially for drivers. A detailed analysis of the implementation of Danone/IUF agreements was presented. It showed that 80% of workers in HOD (Home and Office Delivery) activities were unionized through the IUF-affiliated STIE-CTM; that regular meetings for employees' information were organized; that employees received on average around 40 hours training in 2010; that diversity provisions were globally enforced although both unions and management recognized that the number of women employed was still too low and that it was necessary to change this cultural mindset and to also promote employment of handicapped workers.

The visit of Danone Djurdjura Algeria (DDA) that took place on May 17 and 18 was short but very informative. The team toured the plant located in Akbou employing 60% of the 956 DDA employees. The information exchange assessing the enforcement of the IUF/Danone agreements showed a rate of precarious contracts between 9 and 11% (40 short-term contracts plus 40 to 50 seasonal workers). Whilst many provisions of the agreements were applied management also recognized that they had difficulties to assess that distribution firms they had contract with would not employ undeclared workers.

A majority of workers (68%) are represented by the local union affiliated to the national center

UGTA. Both the leader and members of the union, and the UGTA local representative attended the meetings. According to them industrial relations are good.

A visit to Rumania and Bulgaria CBUs is planned in November.

FISHERIES

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The joint ITF/IUF Fisheries Programme is developing a common web-site where affiliates of both IUF and ITF will be informed about the programme's activities, joint work and strategies and fisheries news in general. A company questionnaire for major international fisheries companies will be circulated to members. This survey is critical for developing a database around these major companies to allow them to be targeted for union organizing.

There was a joint *ITF/IUF informal meeting in Buenos Aires* on June 12 where fisheries committee members of both IUF/ITF Latin America regions came together and discussed further joint work on fisheries in the region.

FOOD PROCESSING

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Heinz

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In conjunction with the announcement of record full-year results, Heinz announced, on 26 May, the closure of 5 plants – without specifying where. We now know that, so far, the closures involve a plant in the US state of Pennsylvania, one Poland and the Gargarre plant in Australia. In addition, there will be job cuts at 2 further plants in Australia. The IUF has pledged its full support to members affected by these savage job cuts dictated solely by short-term financial targets.

Kraft

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Kraft has moved up the international union agenda in response to the company's rapid international growth. No longer primarily a North American company with European and emerging market operations, Kraft has become, in the company's words, a "global snacks powerhouse" following the acquisition of Danone's European biscuit business and the 2010 acquisition of Cadbury.

For this reason, the IUF convened a *global Kraft union meeting* in Åkersberga, Sweden, from May 10-11, 2011. Hosted by the Swedish Food Workers Union Livs, the IUF brought together 23

unions organizing Kraft Foods workers from around the world to evaluate these dynamic developments and develop an effective union response.

Analysis demonstrated how the combined acquisitions of Danone's biscuit division and the Cadbury company has strained the company's finances, forcing it to meet earning targets through aggressive cost-cutting, sell-offs and outsourcing. With investment shrinking rapidly relative to assets and cash flow, workers could expect an increase in the outsourced production of Kraft-branded products which had already devastated jobs in North America over past years. Pressure on cash flow also meant a potential scramble to sell off brands – and the workers who produce them

Delegates concluded that this model of meeting investor expectations is unsustainable in the long term and puts jobs, pensions and working conditions at risk. Delegates accordingly resolved to develop their coordination and cooperation within the company to exchange information and provide mutual solidarity and support. A steering group composed of key IUF affiliates within Kraft will facilitate this work.

The meeting expressed support to the members of the Finnish foodworkers union [SEL at the Kraft plant in Vantaa](#), where 24 permanent workers have been handed dismissal notices, of which 19 have been told they can return to employment on a call-in basis with no guaranteed hours. Stopping the destruction of direct, permanent employment with disposable jobs was identified as a key union priority.

Documents for the meeting are available for IUF affiliates from the secretariat on request

Nestlé

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Engagement with Nestlé international human resources management with a view to resolving the conflict in Indonesia and paving the way for wage negotiations at the Nescafé factory in Panjang has booked progress. An agreement initialled by the IUF and Nestlé corporate management on March 28 and signed by the SBNIP and local Nestlé management in Indonesia on March 31 set the stage for the SBNIP to negotiate the Panjang workers' collective agreement including the wage bargaining which Nestlé management had been steadfastly rejecting for years.

At **European Works Council (EWC)** meetings in March and May, delegates identified 3 issues which remain of major concern to workers and their unions: remuneration policy (move toward

performance-linked wage increases), H & S (behaviour-based safety) and Nestlé's high performance work system, NCE. Unions have denounced Nestlé's attempt to implement "Performance Evaluations" for more categories of workers as an attack on the unions' collective bargaining rights.

Roquette Frères

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The IUF continues to support IUF affiliate the **Bakery, Confectionery, Tobacco, Grain Millers (BCTGM)** local locked out at the **Keokuk, Iowa** starch facility owned by French-based TNC Roquette Frères since September 28, 2010. The IUF has worked with the BCTGM, AFL-CIO and ICEM in complaints with the Global Compact and to the US and French National Contact Points responsible for the OECD guidelines, as well pursuing other avenues to pressure Roquette to end the lockout and return to negotiations.

Unilever

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The secretariat is insisting that Unilever implement the solution to the long-running conflict at the company's personal products factory in Assam, India agreed to between the IUF and Unilever at the OECD last year. The procedure for determining union representation has not yet been implemented, and the IUF is prepared to campaign publicly as well should this situation to continue.

IUF/Unilever Employment Working Group

The second meeting of the Working Group took place in London on May 25. IUF members of the WG are Hermann Soggerberg (NGG/EWC Coordinator), Hidayat Greenfield (IUF Asia/Pacific) and Peter Rossman (IUF secretariat). The group began a detailed examination plant by plant of the Unilever beverage division to identify excessive use of forms of precarious work and propose remedial measure in such cases. The Working Group will report to the IUF/Unilever bi-annual meeting in September and to IUF Unilever affiliates at the same time.

Vitasoy

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In June members of the IUF-affiliated National Union of Workers (NUW) at the Vitasoy factory in Wodonga, Australia, demonstrated their support for the Vitasoy Hong Kong workers' fight for trade union rights by demanding the coverage of their collective agreement be extended to include the workers in Hong Kong.

The Vitasoy Hong Kong Workers Union was formed in July 2010 during a strike against brutal working conditions. Although the strike was settled, Hong Kong management refused to respond to repeated requests by the union to hold formal, regular meetings to resolve serious grievances concerning excessive working hours, wage calculations and rates, and payment of allowances and bonuses.

Hong Kong management refuses to even meet the union to discuss these issues, declaring that all employees are free to raise grievances directly through "open channels" that don't require a union.

Since management refuses to recognize the union in Hong Kong, denying them the right to negotiate a collective agreement, the Vitasoy workers in Australia argued that the Hong Kong workers should be covered by the agreement in Australia where the union is recognized.

IUF facilitated exchanges between the two unions, including a video message from the Vitasoy Hong Kong Workers Union to the NUW members at Vitasoy Australia describing their struggle and thanking their Australian sisters and brothers for their support. Vitasoy is a Hong Kong-based transnational food and beverage company whose soy-based products are manufactured in Hong Kong, Shenzhen, Singapore, Ayer (Massachusetts, USA) and Wodonga (Victoria, Australia) and sold globally.

HOTEL CHAINS

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Accor

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Work continues to develop an international network of Accor workers and unions. This includes regular communication and information sharing between unions representing Accor workers in Canada, Indonesia, Nigeria, Brazil and Korea. In Morocco and South Africa we are conducting research into Accor operations and ownership structure.

In Canada, dialogue with Accor management to secure union rights for workers at three hotels continues following an OECD complaint submitted by the IUF to the national contact point in France detailing serious violations of freedom of association against workers organizing to form a union.

Intercontinental

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On 24th May, members of the IUF Hotel Chains Steering Group joined hotel workers took part in a protest outside the **Holiday Inn Hotel Mayfair**,

London organized by Unite. Holiday Inn is part of the Intercontinental Hotel chain which is one of the official providers to the 2012 Olympics. The hotel is in breach of the agreement signed by Lord Sebastian Coe which states that all providers of services to the Olympics should pay their workers at least the London Living Wage of 8.30 GBP (9.50 Euros). The union is campaigning to secure a fair wage and collective bargaining rights for hotel workers in London.

Rezidor

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Following the research conducted with the support of 3F earlier this year we have decided to focus our work on the **Radisson** brand of hotels, which is operated by both Rezidor and Carlson Hotels (which owns a 51% stake in Rezidor). The Nordic HRCT union has identified **casualisation and outsourcing** as a major issue across hotels in the Nordic countries and are conducting a survey of union members to determine the impact on working conditions and employment. In **Denmark**, organizing work started in four branches to identify new union representatives, increase union density and resolve workplace issues at Radisson hotels.

MEAT

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Danish Crown

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Affiliates with membership in Danish Crown met in conjunction with the IUF Executive Committee meeting in late March to assess the lack of progress in engaging this company.

After having indicated its willingness to negotiate a trade union rights agreement with the IUF, DC put off discussions for over one year, before it eventually informed Danish affiliate NNF that it preferred to develop a CSR policy rather than negotiate with the IUF. Trade union rights in this and other transnational meat companies will be on the agenda of the **IUF International Meat Conference**, to take place in Omaha (USA) on 1-3 November 2011.

TOBACCO

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Reynolds America & British American Tobacco

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The IUF-affiliated Farm Labor Organizing Committee (FLOC) brought its campaign for rights and decent working conditions for migrant farm workers in the US to Europe with a 2-week tour of

meetings and protest actions in April. The aim of the tour was to increase pressure on BAT to accept its responsibility for the appalling working and living conditions on tobacco farms in the US. The delegation traveled to Germany and Turkey and ended the tour with protest action and interventions at the BAT shareholders' meeting in London on April 28. FLOC president Baldemar Velasquez urged BAT to take immediate steps to ensure that in its supply chain it respects human rights and its own corporate code of conduct. [See more by clicking here.](#)

Following the interventions of Velasquez, Virginia Nesmith, Executive Director of the National Farm Worker Ministry and Ron Oswald, General Secretary of IUF spoke. The chairman of BAT committed the company to a formal meeting with FLOC and agreed to support an industry-wide initiative to bring about positive change on US tobacco farms.

TOURISM

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Thomas Cook

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A recent international meeting of union representatives from IUF and sister GUFs ITF and UNI representing tourism workers agreed that there is a need to work more closely together and decided to focus initial joint work and activities on Thomas Cook, one of the world's largest tour operators. Meeting participants agreed to conduct research to into Thomas Cook operations, including mapping the level of union density and organization. A steering group of Thomas Cook union representatives will then work on a program of future joint activities.

OECD Guidelines Revision and Ruggie Principles update

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The updated **OECD Guidelines for Multinational Enterprises** were officially adopted in Paris on May 25, 2011 opening up new potential for unions to make use of the procedures. The updated Guidelines contain a new chapter detailing their application to supply chains and to forms of business relationships which have previously shielded companies from responsibility and accountability, such as licensing and franchising arrangements.

A new chapter on human rights specifies a broader range of human rights instruments to serve as a reference for corporate behaviour than

was the case earlier. And the employment chapter – the one most used by trade unions in bringing complaints under the OECD procedures – has been broadened to include important elements from the ILO Tripartite Declaration on Multinational Enterprises and Social Policy.

The IUF was closely involved at every stage in the update process, as well as in the elaboration of the **Guiding Principles on Business and Human Rights** elaborated by the UN Special Representative on Business and Human Rights, John Ruggie, which served as the reference for key sections of the update. These were officially published at the end of March.

"Building Union Membership"

IUF Conference: March 31 - April 1, 2011

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On March 31/April 1, 2011, over 100 participants from a large number of IUF affiliates discussed approaches to increasing and activating membership and building global bargaining power, and the role of the IUF in supporting and coordinating organizing at international level. The meeting discussed the possibilities, preconditions, and forms of targeted international organizing initiatives as well as the question how affiliates, through the IUF, could support each other in building organizing capacity.

Recommendations were developed by multilingual working groups covering three areas.

1. An international organizing initiative
2. Building our capacity and networks.
3. Solidarity and Support

These are available in a fuller report and will be sent out and posted on our web site.

TNC Info

Previous copies (1-6) can be obtained directly from the IUF secretariat on request. Write to:

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